

Special report

# Organic farming in the EU

## Gaps and inconsistencies hamper the success of the policy



EUROPEAN  
COURT  
OF AUDITORS

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## Executive summary

**I** Organic farming is an agricultural method to produce food using natural substances and processes, contributing to greater biodiversity and less water, air, and soil pollution. The Commission considers it a key tool for making agriculture more sustainable and set the target of having 25 % of the EU's agricultural land organically farmed by 2030 – a significant jump from 10.5 % in 2022. In the 2014-2022 period, farmers received around €12 billion in support of organic farming practices under the common agricultural policy.

**II** Our audit assessed the design, implementation and monitoring of EU support for organic farming. It covered the 2014-2022 period, and where relevant, we also checked the provisions and programmes in place for 2023-2027. We carried out this audit in light of the significant amount of EU spending on organic farming. We expect our report to contribute to the EU's policy for the organic sector and to the Commission's legislative proposals for the post-2027 CAP, which are planned in 2025.

**III** Overall, we concluded that there were gaps in both EU and national policies for the organic sector. CAP funds were used to increase the organically farmed area, without sufficiently taking into account the environmental and market objectives set in the EU's policy for organic farming. The impact of the policy could not be assessed due to data constraints.

**IV** We found that there are gaps in the strategic framework of the EU policy for the organic sector. The EU action plans, which the Commission uses to define the strategy for the organic sector, lack important elements. Although the current plan is an improvement on the previous one, it still neither includes quantifiable targets for the defined objectives and actions, nor a way to measure progress. The only target for the organic sector is the non-binding 25 % target for the organically farmed land, which only focuses on increasing the area. There is no strategy and there are no targets for the organic sector beyond 2030.

**V** The extent of the development of organic farming, and ambitions to grow it further, differ greatly in the member states. While all but three of the EU-27 now have organic action plans in place, there is a risk that these will not be sufficient to enable the 25 % EU target to be reached by 2030. To reach this target, the current annual increase in organic farming would need to double. In member states where the organic sector is underdeveloped, national action plans have the potential to play a key role in driving development. However, the low quality of these plans weakens their impact.

**VI** The common agricultural policy is the main source of funding for developing organic farming in the EU. We found that while this support helped to increase the area of organically farmed land, integrating the environmental and market objectives of EU policy for organic farming into EU spending remains a challenge.

**VII** The provision of EU support for organic farming is based on expected environmental benefits, but these are not always guaranteed. Rules for organic farming were not applied consistently in the four member states we visited, in particular for crop rotation and animal welfare. While integrating the voluntary principles of organic farming into EU spending could reinforce its positive environmental impact, we found that the member states rarely did so.

**VIII** One objective of EU policy is that organic farming produces a wide variety of foods to supply the market for sustainable products. A well-developed market acts as an additional incentive for farmers to convert to organic farming and facilitates long-term growth. Despite this, member states did not target CAP funding sufficiently well to strengthen the farmers' position in the value chain and further develop the organic sector.

**IX** The Commission monitors EU spending for organic farming and the size of the supported area. However, the impact of this support cannot be assessed because the existing tools are not fit for purpose. The Commission also lacks data on how EU spending supports the development of the organic sector beyond organic farming, especially considering that less data is collected now than prior to 2021.

**X** Based on our findings, we recommend that the Commission:

- strengthen the EU strategic framework for the development of organic sector, establishing a way to measure progress and setting a vision beyond 2030;
- better integrate environmental and market objectives into CAP support and better target post-2027 funds to develop the organic sector;
- ensure the availability of relevant data to assess the development of organic farming and its impact on environment and climate by using existing tools and information more effectively.

# Introduction

## Organic farming as a more sustainable agricultural practice

**01** Almost 40 % of EU land is used for agriculture<sup>1</sup>. While its primary role is to provide food, agriculture also contributes to the development and social cohesion of rural areas. Agriculture depends on the sustainable use of natural resources, while also being a source of environmental and climate pressures, leading to the pollution of soil, water and air, and the over-exploitation of natural resources<sup>2</sup>.

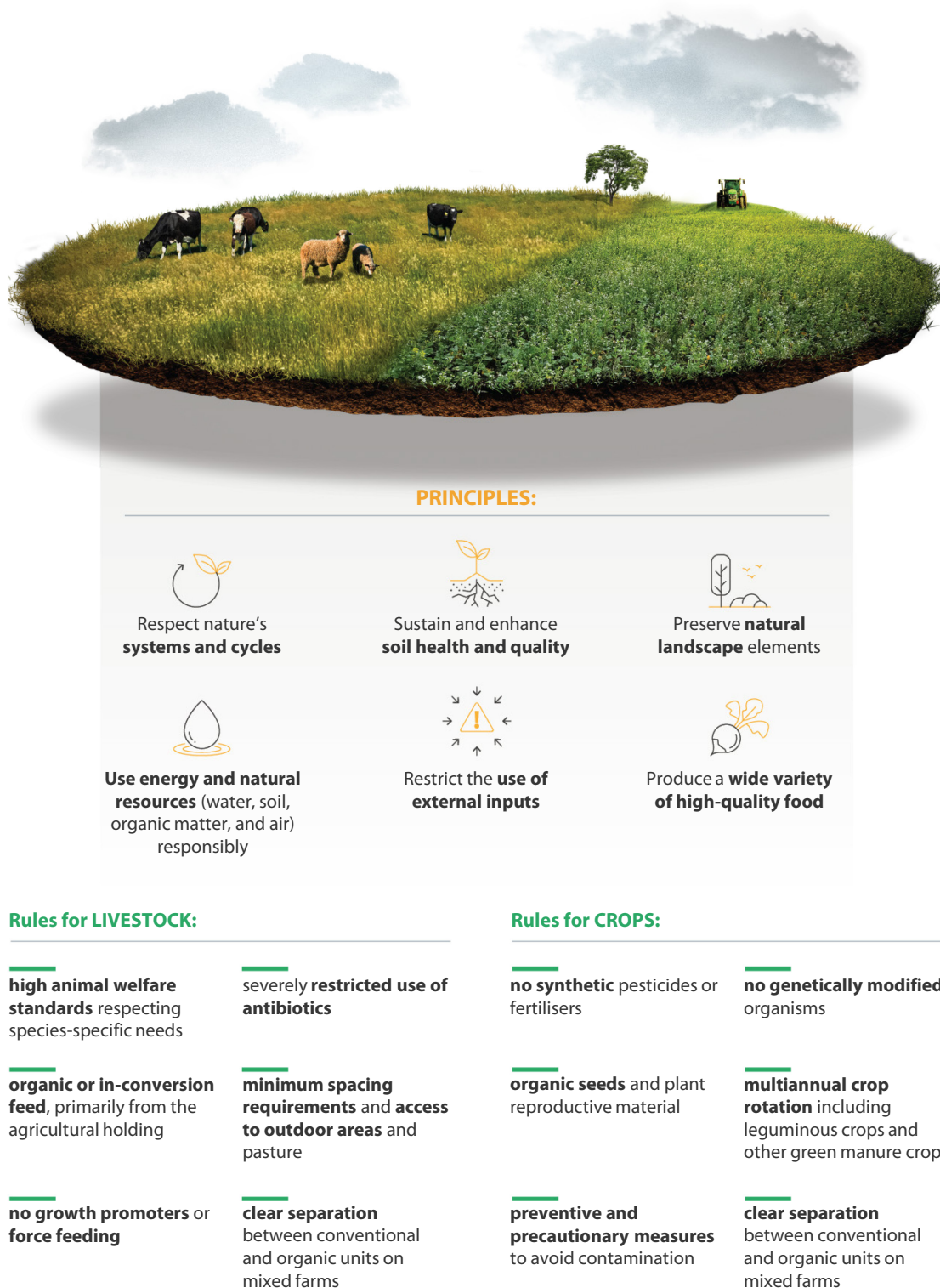
**02** Since the 1990s, the EU has encouraged the use of more environmentally sustainable farming practices. Of these, organic farming remains the only agricultural production method that is standardised and regulated at EU level. The aim of organic farming is to produce food using natural substances and processes, in line with principles and rules set out in EU legislation – see [Figure 1](#).

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<sup>1</sup> Eurostat, [Farms and farmland in the European Union – statistics](#), 2020.

<sup>2</sup> EEA, [SOER 2020](#), p. 295 and 314.

Figure 1 – Principles and rules of organic farming



Source: ECA based on [Regulation \(EU\) 2018/848 on organic production and labelling of organic products](#).

**03** Since it is based on a strict limitation of synthetic pesticides and fertilisers, organic farming is considered to be a more environmentally sustainable alternative to conventional agriculture by design, contributing to greater biodiversity and less water, air, and soil pollution<sup>3</sup>. Crop rotation and other management practices used on organic farms can improve soil health and fertility, as well as the soil's capacity to retain water and capture carbon, contributing to climate resilience.

**04** In 2022, around 17 million hectares were farmed organically in the EU, representing 10.5 % of the total utilised agricultural area<sup>4</sup>. While in the EU the share of organic agricultural area has constantly increased since 2014, the uptake of organic farming varied significantly at member state level, ranging from 0.6 % in Malta to 25.7 % in Austria, as shown in [Figure 2](#).

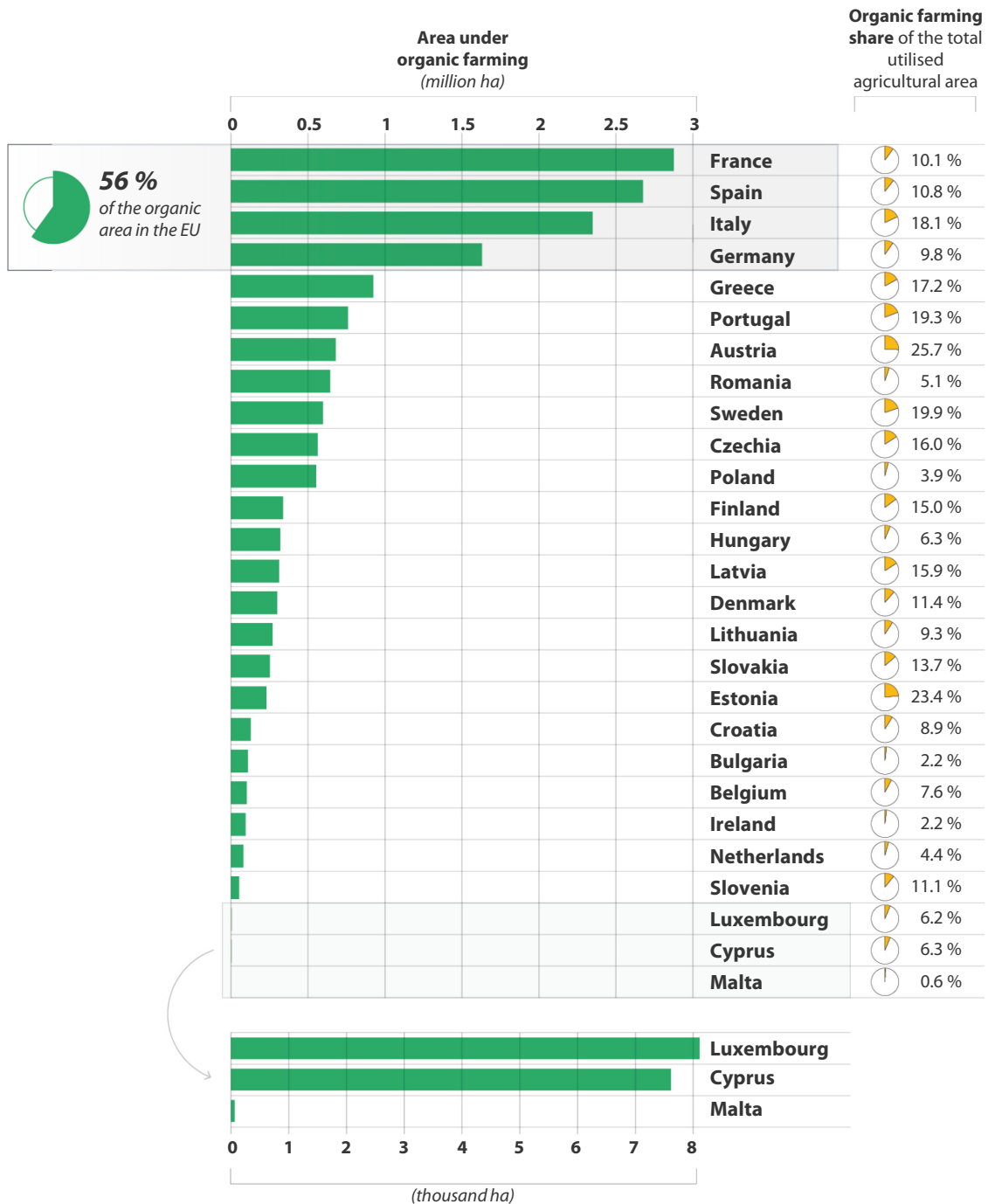
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<sup>3</sup> Smith OM, Cohen AL, Rieser CJ, Davis AG, Taylor JM, Adesanya AW, Jones MS, Meier AR, Reganold JP, Orpet RJ, Northfield TD and Crowder DW, [Organic Farming Provides Reliable Environmental Benefits but Increases Variability in Crop Yields: A Global Meta-Analysis](#), September 2019.

<sup>4</sup> Eurostat, [Developments in organic farming](#).



**Figure 2 – Four member states account for almost 60 % of the EU’s organic agricultural area**



NB: 2020 data used for Austria.

Source: ECA based on Eurostat 2022 [organic farming statistics](#) (extracted on 25 June 2024).

## Organic farming is an integral part of the organic sector

**05** Organic farming supplies organic products to the market, to respond to consumer demand for more sustainable food. As such, it is at the core of the organic sector, which encompasses all actors and processes from the farm to the consumer – see [Figure 3](#). The development of organic farming is closely linked to the development of the organic sector.

**Figure 3 – The organic sector**



Source: ECA.

**06** In 2022, organic products accounted for around 4 % of the total EU food market, generating €45 billion in sales<sup>5</sup>. Between 2014 and 2022, EU sales of organic products more than doubled<sup>6</sup>. However, significant differences remain between member states in terms of the consumption of organic products. In 2022, the range was from €2 per capita spent in Romania to €365 per capita in Denmark – see [Annex](#). These differences

<sup>5</sup> [FIBL statistics](#) for organic retail sales, and [Statista data](#) for food sales in EU-27 (last extracted on 12 April 2024).

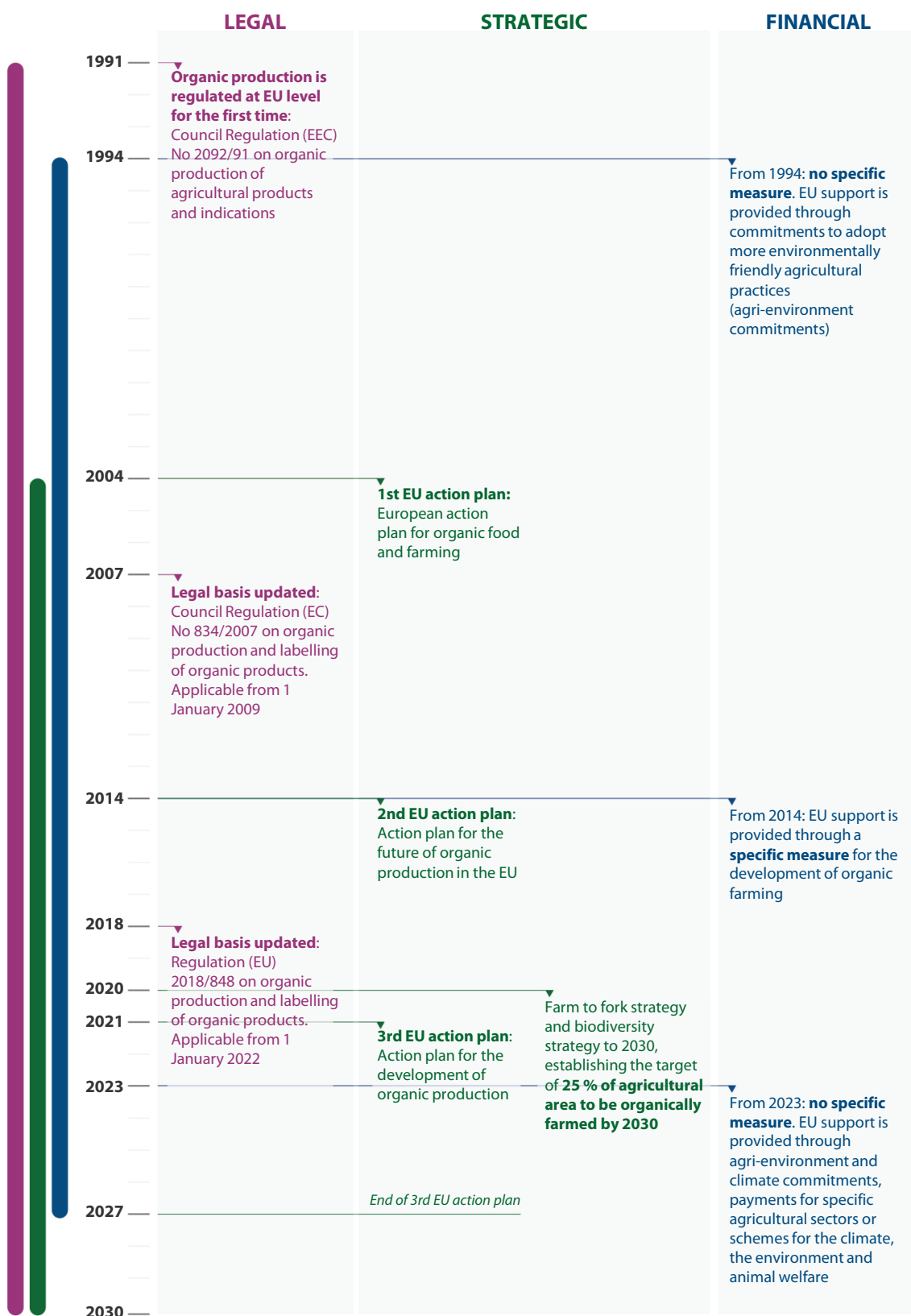
<sup>6</sup> [Ibid.](#)

highlight the uneven development of the market for organic products across the EU and the link to purchasing power in the member states.

## EU policy for the organic sector

**07** The development of organic farming is driven by the principles, rules and objectives set in the EU policy for the organic sector. This policy is composed of three layers: a legal framework, a strategic framework, and a financial framework. In place since 1991, the policy has evolved over time – see *Figure 4*.

Figure 4 – Evolution of EU policy for the organic sector



Source: ECA.

**08** The [Regulation on organic production and labelling of organic products](#) (the Organic Regulation) provides the legal basis for organic farming and regulates the rest of the organic sector supply chain, from farmers to retailers (see [Figure 3](#)). It establishes the objectives and principles of organic production, and the rules organic farmers and other operators must follow to receive organic certification.

**09** The Commission complemented the legal framework of the organic sector with three successive action plans, published in 2004, 2014 and 2021. These action plans were also intended to define the EU strategy for organic farming<sup>7</sup>. In May 2020, the Commission published the [farm to fork strategy](#) and the [EU biodiversity strategy for 2030](#), implementing the [European Green Deal](#). Both strategies established a strategic goal to have 25 % of the EU's agricultural land organically farmed by 2030. Although non-binding, the target indicates that organic farming has a role to play in meeting the EU's environmental and climate objectives.

**10** Financial support for the development of organic farming has mainly been provided through the common agricultural policy (CAP). In the 2014-2022 period, farmers received almost €12 billion of EU support from the European Agricultural Fund for Rural Development (EAFRD) to convert to organic farming or to maintain organic farming practices. In addition:

- in the 2014-2022 period, the European Agricultural Guarantee Fund provided around €60.6 million to develop organic production in the fruit and vegetables sector through producer organisations;
- in the 2014-2020 period, around €45 million of EU financial support was provided for research and innovation in organic farming through Horizon 2020; in the 2021-2027 period, 30 % of the Horizon Europe funds for agriculture, forestry and rural areas are intended for topics directly or indirectly linked to the organic sector;
- in the 2016-2023 period, around €140 million was provided to promote organic products through the EU's agri-food promotion policy<sup>8</sup>; and

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<sup>7</sup> Commission Staff Working Document "Impact assessment accompanying the document Proposal for a Regulation on organic production and labelling of organic products", [SWD/2014/065 final](#), March 2014.

<sup>8</sup> [Commission selection decisions](#) for the EU agri-food promotion policy for the 2016-2023 period.

- o in the 2023-2027 period, member states have planned to allocate around €14.7 billion to support organic farming in their CAP strategic plans<sup>9</sup>.

## Roles and responsibilities

**11** The Commission, through the Directorate-General for Agriculture and Rural Development (DG AGRI), in consultation with other directorates-general, sets the overall EU policy for the organic sector. The Commission approves the member states' rural development programmes for the CAP and provides member states with strategic guidelines on the EU's organic policy. Together with DG AGRI, Eurostat collects, validates, and publishes data on the organic sector. The Joint Research Centre provides science-based knowledge to monitor and assess the impact of EU policies.

**12** Based on their specific situations and needs, member states are responsible for establishing the national objectives for organic farming and the organic sector, and for programming adequate EU and national financial support to meet these objectives. Member states programme and implement relevant EU support through their rural development programmes.

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<sup>9</sup> Commission, [Approved 28 CAP strategic plans \(2023-2027\)](#), p. 74, June 2023.

## Audit scope and approach

**13** We examined the design, implementation and monitoring of EU support for organic farming. We asked whether the Commission and the member states had:

- o designed a sound policy for the organic sector to boost organic farming;
- o used CAP funds effectively to support the environmental and market objectives of organic farming; and
- o appropriately monitored and evaluated the impact of the EU policy.

**14** In light of our recent [special report 04/2019](#) on the control system for organic products and [special report 25/2023](#) on EU aquaculture policy, we excluded organic farming controls and certification, and the organic aquaculture sector from our scope. Considering their specific nature, we also excluded the organic beekeeping sector, research and innovation in organic farming, and the EAGF for supporting organic production in the fruit and vegetables sector (see paragraph [10](#)).

**15** We carried out this audit given the 25 % organic farming target and the almost €12 billion of EU support in the 2014-2022 period for converting to or maintaining organic farming practices. We expect our findings and recommendations to contribute to developing the EU policy for organic farming and to provide input for the Commission's legislative proposals for the post-2027 CAP, which are planned in 2025.

**16** Our audit covered the 2014-2022 period. Where relevant, we also checked the provisions and programmes in place for 2023-2027. We obtained evidence from:

- o meetings with representatives from the Commission (DG AGRI, Eurostat and the Joint Research Centre);
- o a review of relevant data and documents, including specific legislation and studies, impact assessments and audit reports, as well as evaluations and monitoring information;
- o the analysis of statistical data and funding management data for the organic sector in the EU;
- o interviews with national and regional authorities, and structured meetings with representatives from the organic sector;

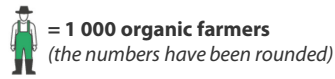
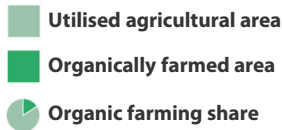
- on-the-spot visits to 26 organic farms which had received EU financial support (between six and seven farms in each visited member state);
- a study visit to Denmark, a member state that has provided policy support for organic farming since 1987, and which has a well-developed market for organic products;
- a panel discussion with scientific, policy, and organic farming experts.

**17** We carried out audit visits to four member states: Romania, Poland, Austria and Italy. These countries were selected to cover different shares of organic area and potential for further development (see [Figure 5](#)). In Italy, we selected the regions of Campania and Sicily to look at the regional implementation of CAP support.

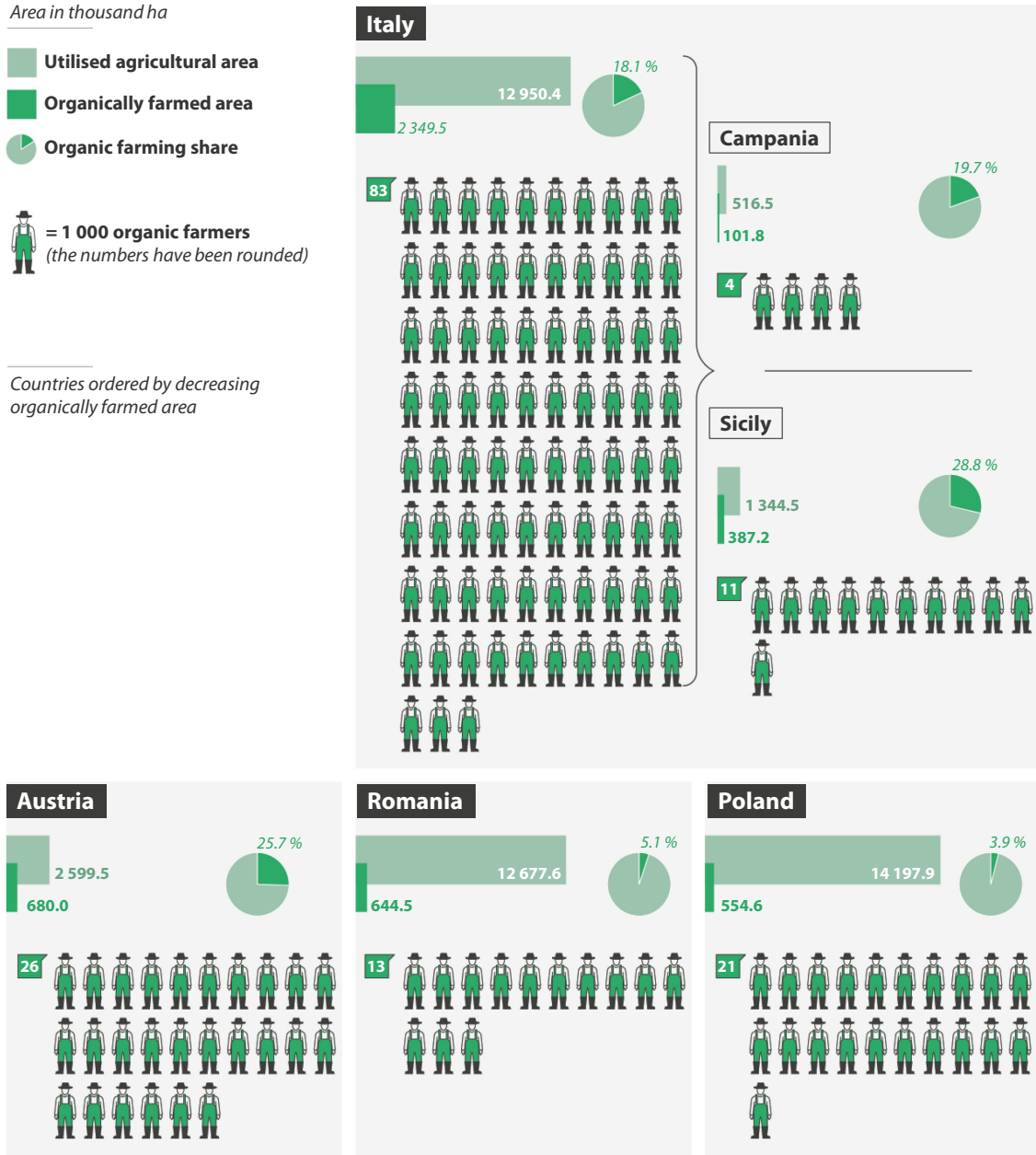


Figure 5 – Organic farming in the audited member states

Area in thousand ha



Countries ordered by decreasing organically farmed area



Source: ECA based on 2022 Eurostat statistics on organic farming (extracted on 25 June 2024), and Bio in Cifre 2023 for Sicily and Campania. 2020 data used for Austria.

# Observations

## Gaps in EU and national policies for the organic sector

**18** We looked at the policy set up by the Commission and member states to support the development of organic farming<sup>10</sup>. We expected to find that:

- the Commission designed a comprehensive EU policy for the organic sector;
- member states established national policies to support organic farming;
- member states programmed CAP funds in line with the specific needs of their own organic sector.

## The EU policy for the organic sector is weakened by gaps in the strategic framework

**19** According to the Commission, the EU organic action plans provide the EU strategic framework for the organic sector. However, we found that the 2014-2020 action plan did not include any goals for the organic sector. It also lacked key elements, such as:

- quantifiable targets for the plan's specific objectives and actions;
- milestones, and a timeline for implementing the actions;
- indicators to monitor progress;
- clearly defined roles and responsibilities; and
- financial allocations.

**20** In the 2021-2027 action plan, the Commission indicated that the actions under the previous plan had been implemented, without specifying which activities had been carried out and what had been achieved. In the absence of quantified targets, monitoring indicators, and an evaluation, the actual impact of the 2014-2020 action plan remains unknown.

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<sup>10</sup> Better regulation toolbox, 2021.

**21** In 2020, the strategic goal for the organic sector was defined by the non-binding commitment to have 25 % of the EU's agricultural land under organic farming by 2030 (see paragraph 09). The Commission set up the 2021-2027 action plan to support the achievement of this goal. The action plan defined specific objectives to improve organic farming's contribution to sustainability, to stimulate demand and ensure consumer trust, and to stimulate conversion and reinforce the entire value chain.

**22** We found that the 2021-2027 plan represents an improvement compared with the previous one. It provides more detail about the specific activities to be implemented within each action. The responsibilities have been shared out between the Commission, member states and other stakeholders. The Commission set up a progress report every 6 months to follow up on the activities carried out.

**23** Despite the progress made, the plan still lacks quantifiable targets for the three specific objectives and also lacks the means to monitor progress achieved through the actions proposed. In the absence of these elements, its contribution to the development of the organic sector will be difficult to assess. The sustainability of organic farming over time depends on the overall development of the organic sector. A well-developed sector would provide farmers the economic incentives for organic farming. However, the 25 % target only refers to the area that is to be farmed organically, with no strategic goals for the organic sector. There is no strategic vision for organic farming or the organic sector beyond 2030 to provide stability and a long-term perspective for the value chain.

**24** In addition to the specific objectives in the action plans, the legal framework also defines environmental and market objectives for organic production – see [Figure 6](#). However, the Commission sees the objectives in the Organic Regulation as inherent characteristics of the organic food production system rather than as actual objectives. They are therefore neither monitored nor specifically addressed in the strategic framework.

**Figure 6 – The EU objectives for the organic sector**



### Legal framework objectives

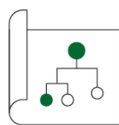
#### The Organic Regulation

##### Environmental objectives

- protection of the environment and the climate
- long-term soil fertility
- high level of biodiversity
- non-toxic environment
- preservation of rare and native breeds in danger of extinction
- development of the supply of plant genetic material adapted to the specific needs of organic farming
- high level of biodiversity by using diverse plant genetic material
- high animal welfare standards

##### Market objectives

- short distribution channels and local production in the various areas of the EU
- development of organic plant breeding activities in order to contribute to favourable economic perspectives of the organic sector



### Strategic framework objectives

#### 2021-2027 EU organic action plan

##### Environmental specific objective

- improve the contribution of organic farming to sustainability

##### Market specific objectives

- stimulate demand and ensure consumer trust
- stimulate conversion and reinforce the entire value chain

#### Farm to fork strategy and Biodiversity strategy to 2030

##### Area-based objective

- 25 % of the EU's agricultural land to be organically farmed by 2030

Source: ECA based on Article 4 of [Regulation \(EU\) 848/2018](#), and the [2021-2027 EU action plan for the development of organic production](#).

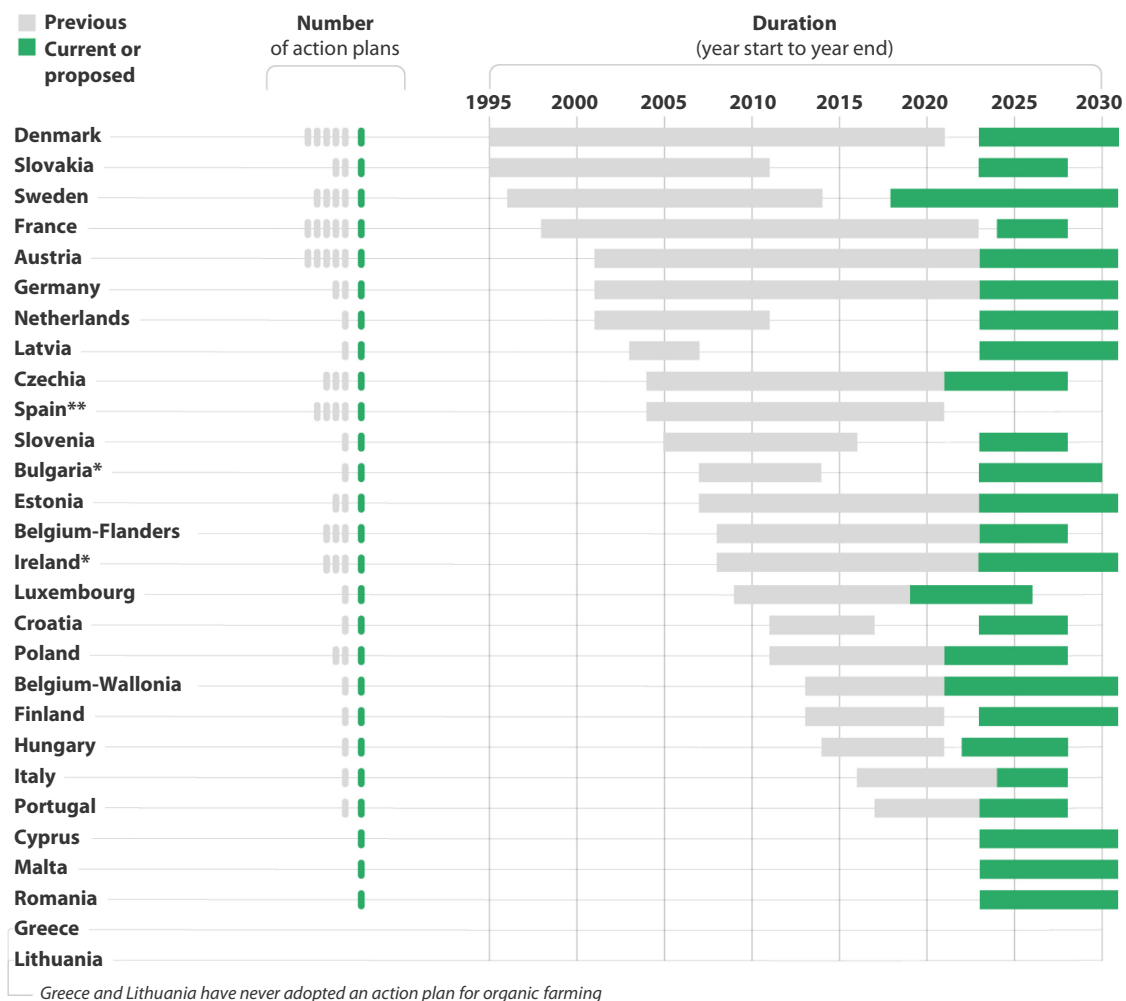
## Weaknesses in national policies hamper the development of the EU organic sector

**25** Since 2004, and with a view to increasing the effectiveness of public support for organic farming, the Commission has encouraged member states to develop national action plans for the organic sector<sup>11</sup>. Member states have no legal obligation to do so and the Commission does not systematically monitor the adoption of national action plans.

<sup>11</sup> Action 6 of the [1st EU organic action plan](#), and recommendations in the [2nd](#) and [3rd](#) EU organic action plans.

**26** Specific national strategies or action plans show the commitment of the member states to developing the organic sector. A 2023 study tracked the preparation of such strategies or plans, which varied significantly from one member state to another – see [Figure 7](#). By the end of 2023, all but three member states (Greece, Lithuania and Spain) had a national action plan in place.

**Figure 7 – The adoption of national action plans varies**



\*Draft action plan published for the current period.  
 \*\*Draft action plan for the current period announced but not published.

Source: ECA based on information from audited member states, national actions plans and the study “Assessment of agricultural and aquaculture policy responses to the organic F2F targets”, Lampkin and al., 2024.

**27** In 2023, the four member states we audited each had an action plan for the organic sector. According to experts and stakeholders consulted for the audit, the impact of these action plans on the organic sector is key where the sector is under-developed. We found the following:

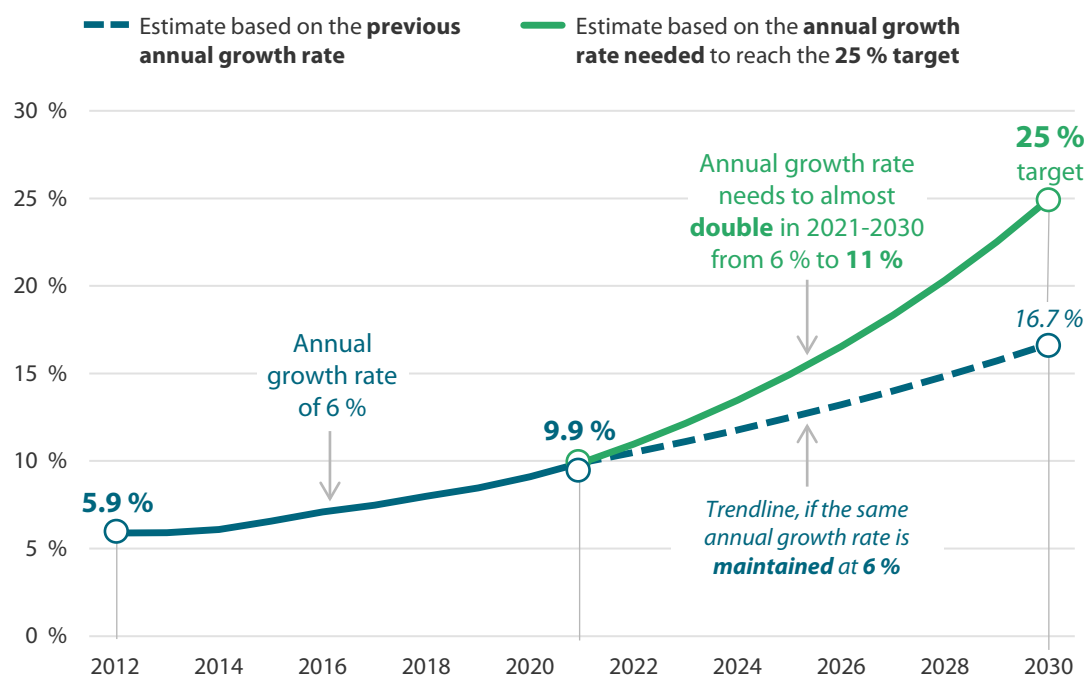
- o In Poland, the impact of the 2014-2020 plan on developing the organic sector was weakened by the lack of targets, clear roles and responsibilities, and a financial allocation. The Polish authorities only defined targets and responsibilities for the plan in 2018. Poland more than doubled its consumption and sales of organic products in the 2014-2020 period. Despite this increase, it still had the seventh lowest levels of organic consumption and sales at the end of the period.
- o Romania only adopted its first action plan in May 2023, although it had the eighth highest CAP spending for converting to or maintaining organic farming practices in the 2014-2022 period. In this action plan, we noted the same weaknesses in Romania as for Poland.

**28** To reach the 25 % target by 2030, the uptake of organic farming practices would need to double its current pace – see [Figure 8](#). At the end of 2023, the European Environment Agency reported that “current policies in place and public support will most likely increase the share of organic farming but not sufficiently to meet the target”<sup>12</sup>.

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<sup>12</sup> EEA Report 11/2023, “[Monitoring report on progress towards the 8th EAP objectives 2023 edition](#)”, page 70, December 2023.

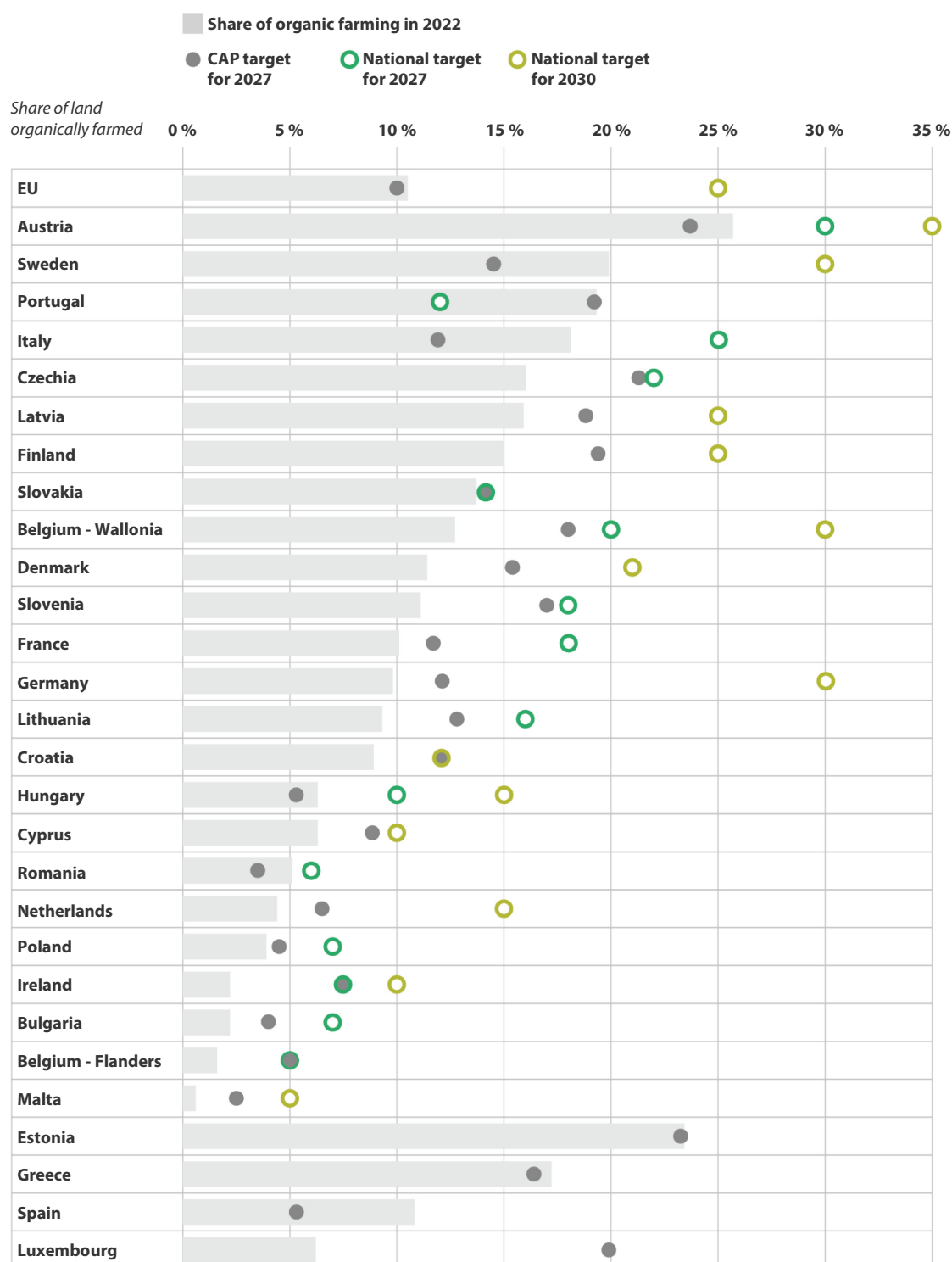
**Figure 8 – The uptake of organic farming practices needs to double its pace to reach the 25 % target by 2030**



Source: ECA calculations based on Eurostat and DG AGRI data.

**29** Actions taken by the member states are essential to be able to reach the 25 % organic farming target. For the 2023-2027 period, they had to establish a target for the CAP spending for organic farming. Some countries complemented the CAP target, which is to be achieved only through the CAP spending, with a national target, to be achieved also through the market for organic products and/or additional national financing. We found that the degree of ambition when setting these targets varies significantly – see [Figure 9](#).

**Figure 9 – National targets for organic farming vary significantly between member states**



*Note:* Luxembourg has a national target of 20 % of organic farming by 2025. Spain mentioned that the current trend would allow to reach 20 % by 2030, without setting this as a national target. Portugal set a national target of 12 % of organic farming by 2027 in 2017; this target was not updated. For Austria, we used 2020 data for the share of organic farming.

*Source:* ECA based on CAP strategic plans, national action plans of member states, and Eurostat 2022 [organic farming statistics](#) (extracted on 25 June 2024).



**30** As for the national action plans, we found that the degree of maturity already achieved by the organic sector is a key factor when setting the national ambition for organic farming in the audited member states. Additional national financing also plays an important role – see in [Box 1](#).

### Box 1

#### Targets for organic farming vary in the audited member states

For 2027, Italy and Austria set a lower target in their CAP strategic plans (11.9 % and 23.7 % respectively), compared to their national targets (25 % and 30 % respectively). It is planned that the additional increase should come from the already well-developed market for organic products in Austria, and from the rapidly growing market in Italy, as well as with additional national financing.

Romania and Poland set a low CAP target (3.5 % and 4.5 % respectively), despite a high allocation of EU funds for organic farming. In Romania, we found that the CAP target for organic farming had been already achieved in 2021.

**31** In addition to increasing the organic area, member states can further support the development of the organic sector by establishing other national targets. We found such examples in 16 member states. For example, several member states opted for targets on organic production (eight member states), on organic consumption through public catering (10 member states) and on the processing of organic products (four member states). Of the four member states audited, only Austria had an additional target: to have 55 % organic food in public canteens by 2030.

#### Member states only partially addressed the specific needs of their organic sector when programming CAP support

**32** In the four audited member states, the CAP was the main source of funding for national organic action plans. In the 2014-2022 period, member states mainly programmed their CAP spending through their national or regional rural development programmes (RDP). The RDPs:

- identified the specific needs of member states' agricultural sectors;
- laid out strategies with objectives and targets, in line with EU priorities for rural development; and
- selected support measures to achieve those targets and objectives.

**33** We found that the four audited member states integrated to a limited extent in their RDPs the specific needs of their organic sector, with only:

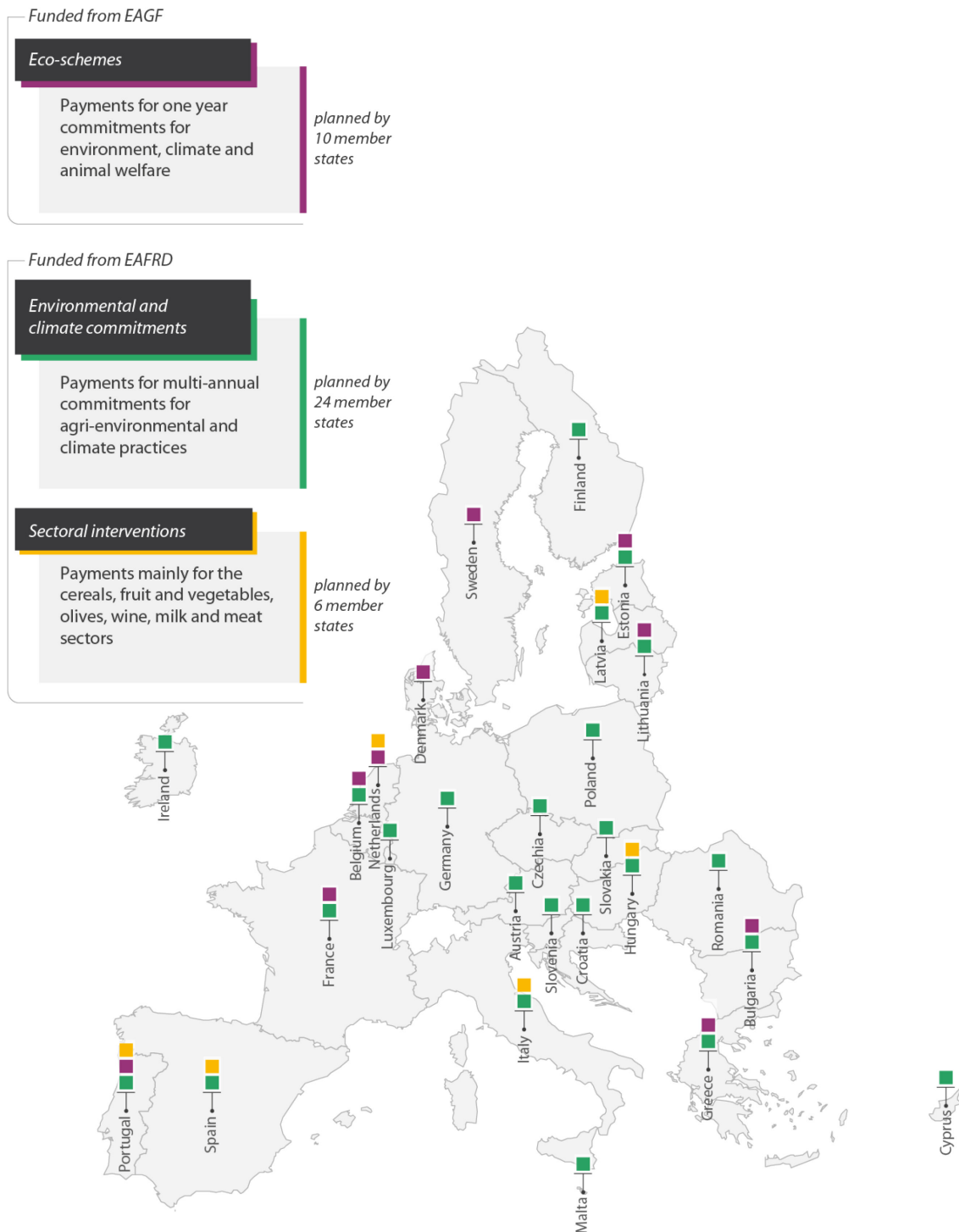
- o Poland identifying the specific need to develop organic farming as a sustainable form of agriculture; and
- o Italy (Sicily) establishing an objective to promote the integration of organic production in the supply chain by improving organic farmers' access to the market, strengthening their position in the value chain, and fostering innovation in the organic sector.

All four member states used organic farming support as an instrument to tackle more general needs linked to preserving water resources, biodiversity, soil, or reducing greenhouse gas emissions, in line with EU priorities for rural development.

**34** Member states had the option to include sub-thematic programmes in their RDPs to address specific needs in areas of particular importance, or in agricultural sectors with a strong impact on the development of rural areas. We found that none of the 27 member states had included a sub-thematic programme in their RDPs for organic farming or the organic sector.

**35** The 2023-2027 CAP gave member states three funding options to programme CAP support for organic farming – see [Figure 10](#). We found no significant change in the way the four audited member states programmed support for organic farming for the 2023-2027 period. Italy also integrated support for the uptake of organic farming practices in specific sectors (e.g., olive oil, fruit and vegetables, and potatoes). However, it was too early for us to assess the impact of this additional financing option on developing organic farming for these crops.

**Figure 10 – Member states had three funding options to support organic farming in the 2023-2027 CAP**



Source: ECA based on the [Organic farming in the EU – a decade of growth](#), January 2023.

## Area increased, but it is still a challenge to integrate the objectives of organic farming in the CAP

**36** We examined whether CAP support for organic farming had been used effectively by the member states<sup>13</sup> to support both the environmental and the market objectives of organic farming<sup>14</sup>. In the audited member states, we expected to find that:

- CAP funds supported the environmental objective of organic farming;
- CAP funds contributed to the market objective of organic farming;
- member states used CAP funds to further develop the organic sector.

### CAP support helped increase the organic area, but environmental benefits were not always guaranteed

**37** In the 2014-2022 period, the CAP supported organic farming through a specific measure in the rural development policy<sup>15</sup> (referred to in this report as “CAP support for organic farming”). Compared with the 2007-2013 period, CAP support for organic farming was separated from other agri-environment commitments to emphasise its growing importance.

**38** Support under this measure was granted per hectare of eligible agricultural land for multi-annual commitments to convert to or maintain organic farming practices, as defined in the Organic Regulation. All member states except the Netherlands included CAP support for organic farming in their RDPs, with Germany, Italy, France, Greece, and Spain allocating 62 % of the total EAFRD budget to it – see [Figure 11](#).

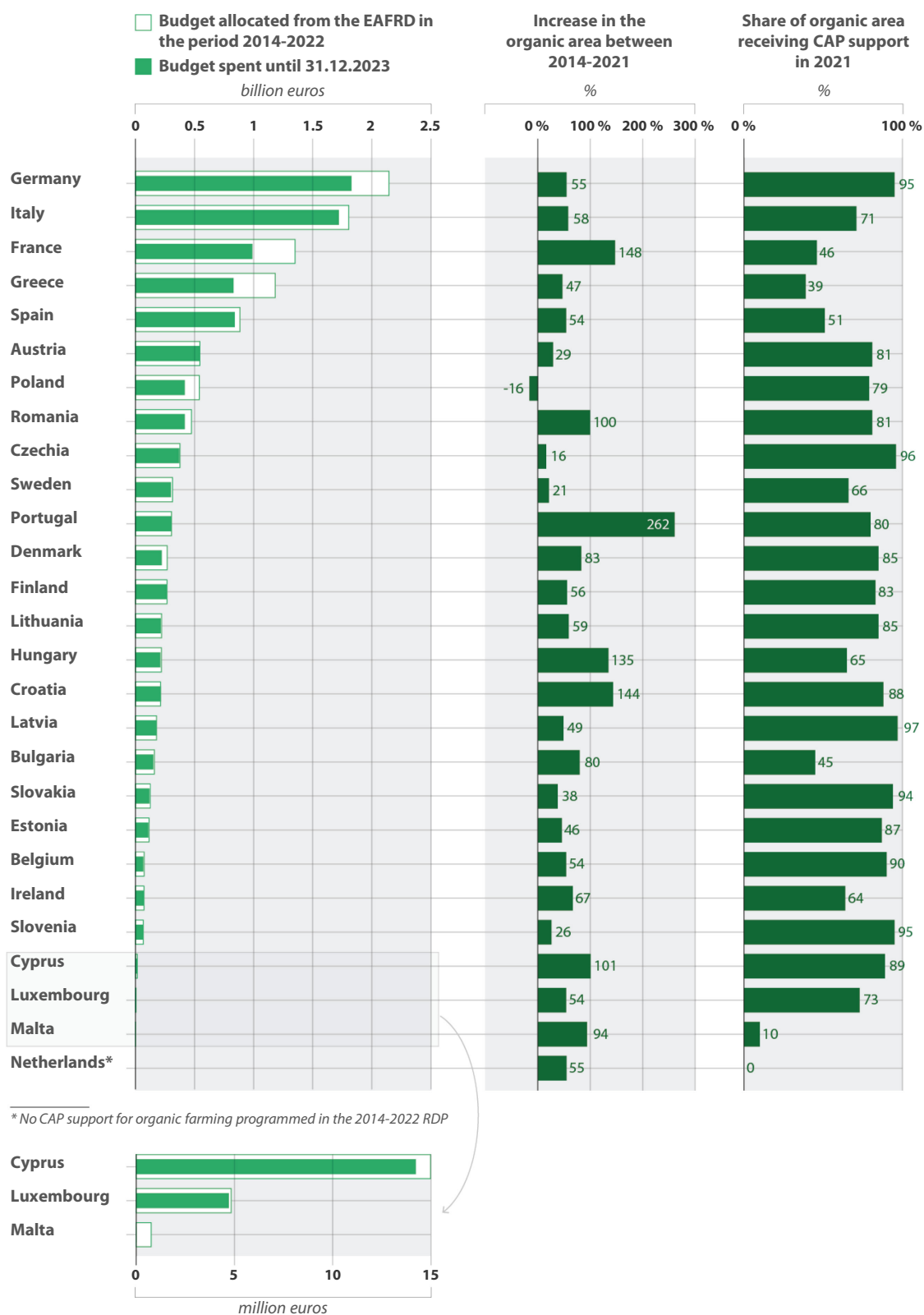
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<sup>13</sup> Chapter 7 of [Regulation \(EU, Euratom\) 2018/1046](#).

<sup>14</sup> Recitals 3 and 4 of [Regulation \(EU\) 2018/848](#).

<sup>15</sup> Article 29 of [Regulation \(EU\) No 1305/2013](#).

**Figure 11 – Five member states account for 62 % of CAP support for organic farming in 2014-2022**



Note: The EAFRD budget includes the additional financial allocation from the EU Recovery Instrument (EURI), provided to member states for the recovery from COVID-19 for the 2021-2022 period.

Source: ECA based on the financing plans in the RDPs as of 31 December 2023.

**39** In 2021, 69 % of the almost 16 million hectares of organically farmed land in the EU received CAP support for organic farming<sup>16</sup>. The share of the supported area increased from 3.2 % in 2014 to 6.9 % in 2021<sup>17</sup>. The CAP mainly finances organic farming to promote sustainable agriculture and to integrate environmental protection requirements into the policy<sup>18</sup>. The environmental benefits of this measure come from the rules set out in the Organic Regulation (see [Figure 1](#)).

**40** One of the essential organic farming practices is crop rotation, which contributes to soil fertility and health, and to the control of pests and diseases. Through the Organic Regulation, it is mandatory for organic farmers to implement multiannual crop rotation, and include legumes and other green manure crops in the rotation plan<sup>19</sup>. Since crop rotation is not defined in the Regulation, member states can establish additional national provisions on how this practice should be implemented. Of the four member states audited, only Italy had established such a definition.

**41** Nine out of the twenty-six farmers we visited in the four member states had been cultivating the same crop on the same parcel over several subsequent years, or had not been using legumes or other green manure crops. The lack of an adequate crop rotation in some cases led to the increased use of external inputs, such as commercial organic fertilisers and pesticides, which goes against the principle of restricting the use of such inputs in organic farming.

**42** In line with the organic livestock rules, farmers must comply with high animal welfare standards. These standards include the prevention of any animal suffering. If needed, member states can grant authorisations to farmers allowing them to deviate from certain animal welfare rules, provided the exemptions are kept to a minimum and, where appropriate, are limited in time<sup>20</sup>. In the audited period, we found that organic farmers in Austria, Poland, and Italy benefited from general authorisations on animal welfare at national level for many consecutive years – see [Box 2](#). Farmers making use of the authorisations were eligible for CAP support for organic farming.

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<sup>16</sup> Calculated by ECA based on [Eurostat data for 2021](#), and [DG AGRI Data Portal](#).

<sup>17</sup> Calculated by ECA based on [DG AGRI Data Portal](#).

<sup>18</sup> Recital 4 of [Regulation \(EU\) 2018/848](#).

<sup>19</sup> Article 12(1) in [Regulation \(EC\) 834/2007](#) and Annex II (1.9 and 1.10) of [Regulation \(EU\) 2018/848](#).

<sup>20</sup> Article 22 of [Regulation \(EC\) 834/2007](#).

## Box 2

### CAP support for organic farming was granted without respecting animal welfare rules

Starting in 2015, organic livestock farmers in Austria benefited from general authorisations for certain animal management practices. This meant that farmers were allowed to remove animals' horns, tails, or teeth, to not provide animals with access to grazing in open areas, and to tether cattle on small farms. Following audits in 2017 and 2019, the Commission recovered €16.4 million of undue CAP payments to organic livestock farmers for not respecting animal welfare rules. Austria removed these general authorisations in 2021.

We found that Italy (since 2009) and Poland (since 2015) have been granting a similar general authorisation for tethering animals on small farms. Poland withdrew this authorisation in 2022, while Italy continues to apply it.

The Commission is responsible for monitoring how member states implement authorisations in organic farming. However, the Organic Regulation does not require member states to inform the Commission about general authorisations for tethering animals on small farms or for animal mutilations. The Commission was therefore unaware of these cases.

**43** The Organic Regulation establishes a set of voluntary principles for organic farming, such as the preservation of landscape elements, the responsible use of natural resources, and the limited use of external inputs. Member states can reinforce the positive impact on the environment by integrating these principles into CAP support for organic farming (see [Figure 1](#)). In the four audited member states, we found that the measure rarely integrated organic farming principles. However, we noted two examples of good practices in Austria and Poland – see [Box 3](#).

## Box 3

### Examples of additional environmental provisions included in the CAP support for organic farming

Austria used part of the budget for the measure to pay the organic farmers who voluntarily preserved permanent grassland and landscape elements on their farms.

Poland made the preservation of grassland and landscape elements a condition for all organic farmers to receive financial support.

## Member states did not always ensure that CAP support for organic farming leads to organic production

**44** According to the Organic Regulation, the aim of organic farming should be to produce a wide variety of foods that respond to consumers' demand for goods produced in a way that does not harm the environment, human health, plant health, or animal health and welfare<sup>21</sup>. In the 2014-2022 period, CAP support for organic farming was meant to compensate farmers for the additional costs and income lost due to switching from conventional to organic farming. Organic farmers were not required to produce any organic products to receive this support.

**45** To avoid the possibility of supporting non-productive areas, Austria, Poland and Italy asked farmers to produce an output from the parcels that received support, e.g. to harvest their crops, or use their grass to feed animals. In Poland, this requirement translated into an increase in organic production – see [Box 4](#). Since 2023, farmers in Italy (Sicily) who sell their production as organic are priority recipients of EU support.

### Box 4

#### Change in conditions to receive CAP support for organic farming helped increase organic production in Poland

In its 2014-2022 RDP, Poland introduced a requirement for farmers benefiting from CAP support to produce agricultural goods on the committed parcels (e.g., either use the grass to feed animals or sell it, harvest orchard fruits). This key change in the eligibility conditions led to a drop in the organic area between 2015 and 2019. At the same time, organic production continued to increase. Since 2021, Poland has experienced significant growth in terms of both organic area and organic production.

**46** In 2020, almost 60 % of the EU's organic area was covered by permanent grassland and fodder. However, organic livestock remains a niche market in the EU. In 2020, organic cattle only accounted for 6 % of all cattle in the EU, while organic poultry and pigs represented 3.6 % and 1 % of the total population respectively<sup>22</sup>. Since CAP support for organic farming is area-based, the market remains the main incentive for livestock farmers to convert their animals to organic farming.



















<sup>21</sup> Recital 1 and Article 3 of [Regulation \(EC\) 834/2007](#).

<sup>22</sup> Commission, Agricultural market brief "Organic farming in the EU – a decade of growth", p. 6, January 2023.



**47** In Romania, we found that while the area covered by organic grassland and fodder more than doubled in the 2014-2021 period, the number of organic grazing animals dropped by 75 %. The organic farming measure supported almost 100 % of the organic grassland in Romania with no incentive for organic livestock. In contrast, Italy and Austria did include such incentives in this measure – see [Figure 12](#).

**Figure 12 – Incentives for organic livestock in the CAP support for organic farming**

	GRASSLAND	FODDER	
 conventional  organic	 payment for grassland and fodder more than <b>three times higher</b> for farmers with organic animals  x3	  x3	<b>AUSTRIA</b>
 	 grassland paid <b>only</b> to farmers with <b>organic animals</b> 	 <b>twice more</b> for fodder for farmers with organic animals  x2	<b>ITALY Sicily</b>
 	 grassland paid <b>only</b> to farmers with <b>organic animals</b> 	 <b>30 % more</b> for fodder for farmers with organic animals*  +30 %	<b>ITALY Campania</b>

\*In Campania, this incentive was limited to cattle and buffalo, in the first 2 years from the conversion to organic farming

Source: ECA based on RDPs.

**48** Organic farmers have the obligation to use organic seeds when planting their crops<sup>23</sup>. When organic seeds are not available on the market, farmers can ask for a derogation to use non-organic seeds<sup>24</sup>. An EU-funded study<sup>25</sup> from 2021 estimated that EU organic farmers purchase between 23 % (for oats) and 75 % (for carrots) of their seeds as non-organic.

**49** The demand for organic seeds can provide an additional economic incentive for organic farmers to produce them. However, in all four audited member states, we found that it was common practice to obtain derogations for using non-organic seeds. In the audited period in the four audited member states, the number of derogations generally increased proportionally to the organically farmed land.

**50** While it has been mandatory for the member states to establish a database listing the varieties of organic seeds available on their territory since 2009<sup>26</sup>, seed suppliers are not required to provide this data. In Romania and Italy, we found that these databases were out of date, static, or contained very few entries.

**51** Since 2009, member states have annually informed the Commission about the use of conventional seeds in organic farming, including the crop varieties and the quantities needed by farmers. According to the Commission, this information was used to better programme EU research funds to improve organic seed availability. The same 2021 EU-funded study<sup>27</sup> (see paragraph 48) also surveyed 839 farmers across 17 member states and found that the availability of locally adapted organic seeds remained an issue for 60 % of farmers.

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<sup>23</sup> Article 12(1i) of Regulation (EC) 834/2007 and Annex II (1.8.1) of Regulation (EU) 2018/848.

<sup>24</sup> Article 22 of Regulation (EC) 834/2007 and Annex II (1.8.5.1) of Regulation (EU) 2018/848.

<sup>25</sup> LIVESEED project, “The state of organic seeds in Europe”, p. 23, 2021.

<sup>26</sup> Article 48 of Regulation (EC) 889/2008.

<sup>27</sup> LIVESEED project, “The state of organic seeds in Europe”, p. 23, 2021.

## Member states did not target CAP funding sufficiently well to further develop the organic sector

**52** A well-developed market for organic products can reward organic farmers through an additional price premium. The Commission's [2021 evaluation of the CAP's impact on natural resources](#) highlighted that farmers mainly convert to organic farming due to the economic perspectives offered by the market, rather than environmental considerations.

**53** Since 2014, the Commission has encouraged member states to make use of other CAP support measures<sup>28</sup> in their RDPs, to ensure the overall development of the organic sector, and thus increase the impact of the EU support for organic farming. However, it provided little guidance on how to do so. A CAP thematic group was set up only in 2022 to exchange best practices between member states on how to use CAP funds to strengthen the position of organic farmers in the value chain<sup>29</sup>.

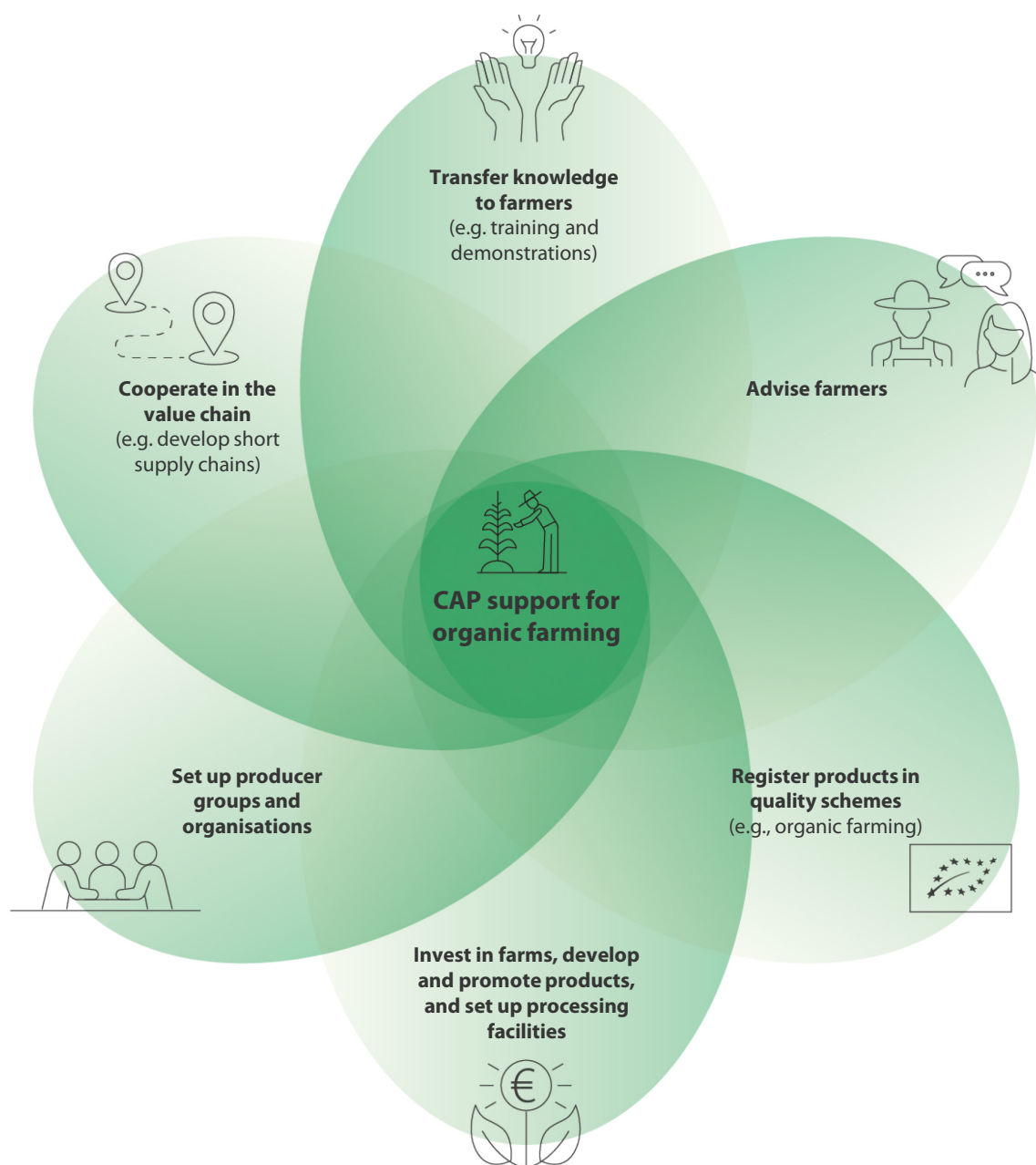
**54** In their 2014-2022 RDPs, member states were able to support the organic sector by using several EAFRD measures – see [Figure 13](#). We found that all four audited member states established provisions for either organic farmers or for the organic sector through CAP measures other than support for organic farming. However, they could not say whether these provisions gave an advantage to organic operators in accessing financial support. Audited member states did not monitor or assess the impact of the funding provided to the organic sector from these measures.

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<sup>28</sup> Commission guidance to member states for CAP support for organic farming.

<sup>29</sup> European CAP Network, [Strengthening the position of farmers in the organic food supply chain](#).

**Figure 13 – Other rural development measures were available to support the organic sector**



Source: ECA based on Commission information.

**55** All four member states expressed the need to help organic farmers build knowledge, through specific training, advisory services or demonstration farms. Both Romania and Poland planned specific calls targeting organic farmers for these measures in their RDPs. However, no organic farmers in Romania benefited from such specific training or advisory services because no trainers or advisors replied to the published call for proposals. Poland only started using the two measures in 2022.

**56** A 2014 [evaluation report](#) of the EU legislation on organic farming stressed that there is “a clear potential for socio-economic benefits if organic development can be targeted at small farms in disadvantaged rural areas”. However, small farmers face barriers in converting to organic, such as the financial burden of certification and inspection costs, and the administrative burden in keeping detailed records as required by the Organic Regulation<sup>30</sup>. The average size of organic farms in the EU (41 ha) is 2.5 times larger than the average size of conventional farms (16 ha)<sup>31</sup>.

**57** To help small farmers overcome these barriers, Austria, Italy and Poland opted to pay the inspection and certification costs for the first 5 years of organic farming through support for quality schemes. In Romania, these costs were considered as transaction costs and included in the CAP support for organic farming. To encourage smaller farms to convert to organic, Poland also decreased the CAP support for organic farming for farms above 50 hectares by up to 60 %. However, reducing payments for larger farms did not lead to the expected impact on smaller farms.

**58** Since 2022, the Organic Regulation<sup>32</sup> has allowed small farmers to opt for group certification to reduce their costs. Despite the large number of small farmers particularly in Poland and Romania, none of the four audited member states used this possibility. Farmers do not use the group certification option, mainly due to its unclear legal status and definitions<sup>33</sup>.

**59** Member states could further help organic farmers by providing them with CAP financial support to modernise their farms, build storage facilities, or buy machinery adapted to organic farming. None of the audited member states launched specific calls for organic operators in the measure for investments. However, they all gave organic farmers preferential access to funding, with varied results, as shown in [Box 5](#). Audited member states also gave additional points to those projects that promoted cooperation between organic farmers, developed the processing of organic products, or set up short organic supply chains.

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<sup>30</sup> Commission, Impact assessment for the Proposal for a Regulation on organic production and labelling organic products, [SWD\(2014\) 65](#), 2014.

<sup>31</sup> Commission, Agricultural Market Brief “[Organic Farming in the EU](#)”, 2023.

<sup>32</sup> Article 36 of [Regulation \(EU\) 2018/848](#).

<sup>33</sup> [FAQ on the Organic Regulation](#).

## Box 5

### Preferential access for organic farmers to investment support gave varied results

Austria and Romania gave organic farmers an increased co-financing rate, of 5 % and 20 % respectively, to invest in their farms. Authorities did not know what the impact was on organic farmers. In Romania, other categories of farmer benefited from the increased co-financing rate, thus diluting the incentive to further drive conversion to organic farming.

In Poland, support to modernise farms excluded any investments in the field of poultry breeding, unless the production was already organic, or would be converted to organic. Between 2014 and 2022, the organic poultry population more than tripled.

Italy (Sicily) gave organic farmers additional points when selecting projects for EU support to invest in their farms. However, due to the availability of funds, all eligible applications received funding, resulting in no advantage to organic farmers.

## Data constraints limit sound policy making for the organic sector

**60** The Commission and the member states should establish an appropriate and reliable monitoring and evaluation system for the CAP spending for organic farming<sup>34</sup>, and ensure that adequate data on the organic sector is available to support the policy-making process<sup>35</sup>. We expected to find that:

- the monitoring and evaluation framework put in place had provided appropriate information on the results of the CAP support for organic farming and its impact on achieving the CAP objectives;
- the Commission had used other available data sources to complement the monitoring and evaluation framework; and
- the Commission had ensured the availability and relevance of data on the organic sector to support the policy making process.

<sup>34</sup> Commission Implementing Regulations (EU) 834/2014 and 808/2014.

<sup>35</sup> Recital 36 of the Regulation (EC) No 834/2007.






## The impact of the CAP support for organic farming cannot be assessed

**61** The aim of providing financial support for organic farming was to contribute<sup>36</sup> to the general CAP objective of sustainably managing the EU’s natural resources and the climate, by:

- o providing environmental benefits; and
- o indirectly contributing to increasing farmers’ income, meeting consumer expectations, and maintaining agricultural diversity.

**62** To measure whether support for organic farming achieves these objectives, the Commission used the CAP’s common monitoring and evaluation framework<sup>37</sup> (CMEF). The organic farming indicators in the CMEF are shown in *Figure 14*.

**Figure 14 – Indicators for organic farming under the 2014-2022 CAP**

Output	Result	Context
 <b>Total public expenditure</b>		
 <b>Number of farms/farmers receiving CAP support for organic farming</b>	 <i>No result indicator</i>	 <b>Total agricultural area under organic farming</b>
 <b>Total agricultural area receiving CAP support for organic farming</b>		

Source: ECA based on [Implementing Regulation \(EU\) No 834/2014](#) and [Implementing Regulation \(EU\) No 808/2014](#).

**63** The CMEF did not include a result indicator for support for organic farming. The three output indicators provide information on how the financial support was used (i.e. how much money was spent, for how many organic farmers, and for how many hectares), but not on the impact of the support or its contribution to the CAP objectives.

<sup>36</sup> DG Agriculture and rural development, “[Technical handbook on the monitoring and evaluation framework of the common agricultural policy 2014-2020](#)”, 2017, p. 14.

<sup>37</sup> Commission Implementing Regulations (EU) [No 834/2014](#) and [No 808/2014](#).

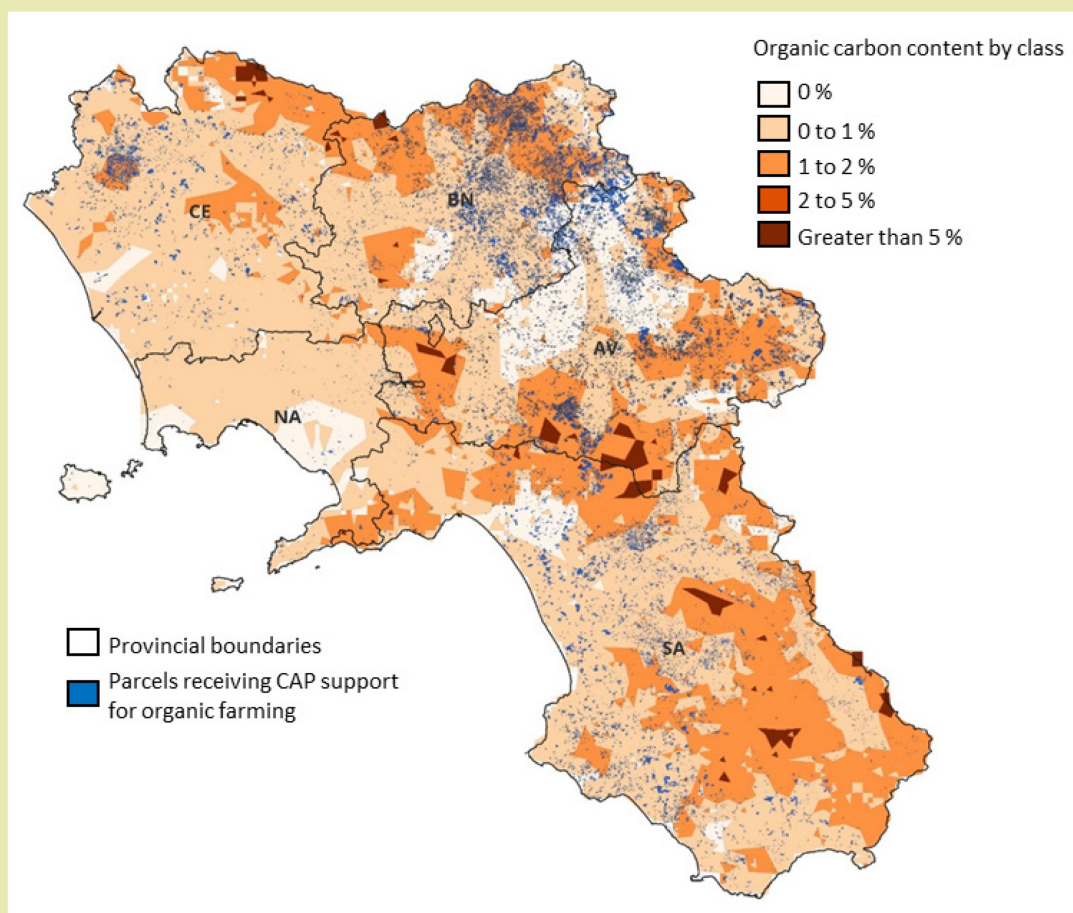


**64** Member states can develop additional indicators to measure the effects of their rural development programmes. We found that none of these additional indicators was related to organic farming. However, the two Italian regions we visited for this audit did collect additional information on organic farming to assess its impact on the environment and on the climate – see [Box 6](#).

### Box 6

#### Italian regions collect information to monitor the impact of CAP support for organic farming on the environment and on the climate

Campania put in place a specific monitoring framework for the CAP support for organic farming, reporting annually on carbon and nitrates in the soil, greenhouse gas emissions, and the risk of soil erosion.



In Sicily, organic farmers who are supported by this measure must submit:

- a technical report certified by an agronomist, with detailed information about the farm, including the presence of landscape elements, water resources, and protected areas;



- o a humus analysis that provides information on the health and fertility of the soil, which is to be repeated at the end of the commitment to assess the effectiveness of organic farming practices for the soil.

However, we found that the regional authority did not use the information collected.

**65** For the 2023-2027 period, the CMEF was replaced by the performance monitoring and evaluation framework (PMEF). The output indicators were maintained and the Commission added a result indicator: the share of organic area receiving CAP financial support for organic farming. As noted in our [Opinion 7/2018](#), this result indicator in fact reflects output, without measuring the effects of the support for organic farming. As an improvement, the PMEF tracks the CAP funds paid to organic farmers<sup>38</sup>.

**66** To assess the contribution of rural development measures in terms of achieving CAP objectives, the member states and the Commission also carry out evaluations. In 2019, member states conducted a mid-term evaluation of their RDPs. None of the four audited member states included information on the CAP support for organic farming contribution to the objectives set in their RDPs. In 2021, the Commission also carried-out two evaluations of the CAP's impact on [climate change](#) and [natural resources](#). Both evaluations stated that the direct contribution of specific measures to achieving CAP objectives could not be evaluated.

### Existing EU tools are not fit for analysing the impact of organic farming

**67** To analyse the impact of EU financial support for organic farming on achieving the objectives set at EU level, the Commission mainly uses economic data on organic farms from the Farm Accountancy Data Network (FADN)<sup>39</sup>. The FADN provides data on income by farm and worker, labour intensity, and the cost of fertilisers, pesticides, and veterinary products.

<sup>38</sup> Annex IV, point 4(i) of [Commission Implementing Regulation \(EU\) 2022/1475](#).

<sup>39</sup> JRC, "Analysing the Feasibility of Counterfactual Methods for Estimating Environmental Effects of the CAP", 2023.

**68** Of the 80 000 farms included in the database, 10 % are organic. These farms are unevenly distributed across member states and are not representative<sup>40</sup>. This constitutes a limitation in using the FADN to analyse the impact of organic farming. In November 2023, the FADN was replaced by the Farm Sustainability Data Network (FSDN)<sup>41</sup>, which is not yet operational.

**69** The 2021 EU organic action plan includes an action to continuously collect data about the environmental, economic and social benefits of organic farming, starting in 2022. The FSDN will collect environmental and social data from EU farms, in addition to the economic data already collected. However, the Commission has not yet addressed the limitation regarding organic farms, either in the FADN or in the FSDN.

**70** According to the Commission, environmental data in the FSDN could be complemented by using the soil module of the Land Use and Cover Area frame Survey (LUCAS Soil). This module provides information on soil degradation, soil erosion, soil compaction, soil pollution, changes in the organic carbon levels in soil, and biodiversity. However, the tool does not identify which samples come from organically farmed soil.

**71** This information is available in the member states, in the information systems used to locate agricultural parcels and process CAP payments to farmers. In 2023, only half of the member states were providing the Commission with partial access to this information, mainly for reasons of confidentiality.

### Fewer statistical variables collected on the organic sector

**72** Statistical data on the organic sector is essential to assess the EU's policy on organic farming, and to monitor the progress of EU organic action plans<sup>42</sup>. Since 2008, all member states have had<sup>43</sup> to send annually detailed data on the organically farmed land to the Commission, for the organic crop and animal production, the organic livestock, and the number of organic operators.

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<sup>40</sup> Commission, Agricultural market brief “Organic farming in the EU – a decade of growth”, January 2023, page 9.

<sup>41</sup> Regulation (EU) 2023/2674.

<sup>42</sup> Recital (20) of Regulation (EU) 2022/2379.

<sup>43</sup> Article 36 of Regulation (EC) No 834/2007, and Article 93 of Commission Regulation (EC) No 889/2008.

**73** In 2022, when the current Organic Regulation entered into force, this obligation was removed, and collecting statistical data for the organic sector became voluntary for the member states. So far, only eight member states<sup>44</sup> formally agreed to continue sending data on organic farming to the Commission<sup>45</sup>. As a result, due to missing data from the member states, many EU aggregates are no longer calculated for 2021 and 2022, including those for organically farmed land.

**74** From 2026, it will once again become compulsory for all member states to send organic farming statistics. Data will be collected, together with other agricultural statistics, through the [Regulation on statistics on agricultural input and output](#), known as the SAIO Regulation. According to the Commission, this will provide better quality assurance, since all member states will need to systematically ensure coherence and consistency between organic farming data and other agricultural data.

**75** As an improvement, the SAIO Regulation will collect new data on how much organically farmed land is treated with pesticides and the quantity used. Compared to the Organic Regulation, the SAIO Regulation will require fewer statistical variables on organic farming – see [Figure 15](#). As a result, the Commission already reduced the amount of data collected for the organic sector in 2022.



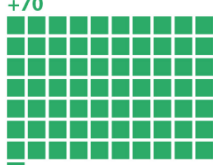


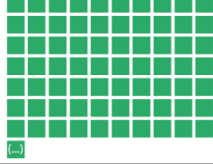
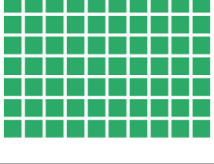
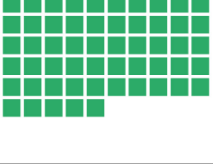
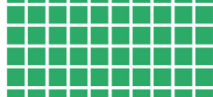








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<sup>44</sup> Spain, Finland, Italy, Lithuania, Latvia, Malta, Sweden, and Slovakia.

<sup>45</sup> [ESS agreement](#) on organic statistics, 12 February 2020.

**Figure 15 – Since 2022, less data has been collected on organic farming and production**

■ = number of statistical variables collected

Data collected	2009-2021 through the Organic Regulation	2022-2025 through a voluntary agreement	2026 onwards through the SAIO Regulation	Data no longer collected through the SAIO Regulation from 2026 onwards
Organic operators	17 	17 		for example, organic producers, processors (by industry), importers and exporters
Crop area under conversion to organic farming	+70  [...]	3 	4 	all but the total agricultural area, arable land, permanent crops and permanent grassland
Crop area fully converted to organic farming	+70  [...]	70 	55 	for example, data for crops under greenhouses and fallow land
Organic crop production	60 	60 	50 	for example, data for wheat and spelt, dry and protein crops, root crops, oilseed, fibre crops, tobacco and hops
Organic livestock	20 	7 	7 	for example, data on horses, rabbit, poultry other than laying hens, and beehives
Organic animal production	20 	20 	15 	for example, data for poultry other than chicken, buffalo milk and honey

Source: ECA based on Eurostat questionnaires and the implementing acts of the SAIO Regulation.

**76** It has been a long-standing need for the EU organic sector<sup>46</sup> to improve market information for organic food products. But collecting more data entails an extra cost for both member states and the Commission. In 2021, the Commission started publishing monthly data on the [prices of organic food products](#) to complement the statistics already collected<sup>47</sup>. Although this is a step in the right direction, the data suffers from important quality issues (i.e., it is not comparable from one member state to another, prices are collected at different stages in the food chain, and significant amounts of data are missing).

**77** Member states can also collect additional national market data for organic products. During our audit visits to the member states, we found that in their organic action plans, Italy and Romania highlighted the need to improve market transparency through having better data on national consumption and the movements of organic goods within the EU. However, they had not yet taken action on this point. In Austria, the authorities purchase detailed domestic market data from private data providers. In Denmark, detailed market data is collected through the national statistical office – see [Box 7](#).

### Box 7

#### Denmark collects detailed market data for the organic sector

Denmark collects and publishes annual market data for the organic sector through its national statistical office. Danish retailers have a legal obligation to provide detailed information on:

- the sale of organic products on the domestic market and to all countries outside Denmark, and the sales channels used;
- purchases of organic products from other member states, or from outside the EU; and
- the turnover and market share by group of products.

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<sup>46</sup> EU organic action plans.

<sup>47</sup> Since 2021, member states have had to communicate the monthly prices for a set of organic products to the Commission ([Regulation EU 2019/1746](#) modifying Regulation 2017/1185 – Annex II).

## Conclusions and recommendations

**78** Overall, we concluded that there were gaps in the EU and national policies for the organic sector. CAP funds were used to increase the agricultural area for organic farming, without sufficiently taking into account the environmental and market objectives set in the EU policy for organic farming. Lastly, the impact of the policy could not be assessed due to data constraints.

**79** We found that the EU policy for the organic sector is weakened by gaps in the strategic framework. The Commission uses action plans to steer the sector's development. Although the 2021-2027 action plan is an improvement on the previous one, its three main objectives still do not include quantifiable targets, nor any means to measure progress. The EU target of having 25 % of organically farmed agricultural land by 2030 is not complemented by targets that address other elements of the sector. There is no EU strategy or any targets for the organic sector beyond 2030 (paragraphs [19-24](#)).

**80** Action at national level is essential to support EU policy. We found that member states developed domestic policies for the organic sector at different speeds and with varying levels of quality. They only partially addressed the specific needs of their organic sector when programming CAP funds (paragraphs [25-35](#)).

### Recommendation 1 – Strengthen the EU strategic framework for the organic sector and improve the link with the CAP support

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The Commission should:

- (a) improve the EU strategic approach for the organic sector, by
  - (i) defining a long-term vision for the sector going beyond 2030;
  - (ii) setting measurable goals and baseline indicators to assess progress achieved;
  - (iii) considering additional targets to complement the 25 % area-based target for organic farming, to ensure the overall development of the sector (e.g. to encourage organic production and consumption).

- (b) in the post-2027 CAP, encourage member states to better link the use of CAP support to the needs they identified for the organic sector.

**Target implementation date: (a) by the end of 2026 and (b) by the end of 2027.**

**81** We found that member states had not ensured a consistent implementation of the organic rules, and rarely included any organic principles beyond the legal requirements in the CAP support for organic farming (paragraphs [37-43](#)). The widespread use of derogations for non-organic seeds does not encourage farmers to produce organic seeds and develop this market (paragraphs [44-51](#)). Other than supporting the uptake of organic farming, member states did not target CAP funding sufficiently well to strengthen the farmers' position in the value chain and further develop the organic sector (paragraphs [52-59](#)).

## **Recommendation 2 – Better integrate the environmental and market objectives of organic farming in the CAP**

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The Commission should:

- (a) provide guidance to member states to apply the rules defined in the Organic Regulation consistently, and better integrate the organic principles in the CAP support for organic farming;
- (b) assess the contribution of CAP funds to the economic sustainability of organic farming to better target the post-2027 CAP support at the organic sector;
- (c) analyse the use of all organic farming authorisations and derogations and, if appropriate, take remedial actions.

**Target implementation date: by the end of 2026.**

**82** The CAP mainly supports organic farming for the expected environmental and climate benefits. However, the monitoring and evaluation framework put in place by the Commission and the member states only allows EU spending to be monitored, but not its impact to be assessed (paragraphs [61-66](#)). The Commission could assess the impact of CAP support through other existing EU tools, but they do not contain relevant and representative information for organic farming (paragraphs [68-71](#)). The policy-making process continues to be affected by the limited availability of data on the organic sector, including data on the market for organic products (paragraphs [72-77](#)).

### **Recommendation 3 – Ensure the availability of relevant data to assess the development of organic farming**

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The Commission should:

- (a) based on data already collected, work with member states to evaluate the contribution made by CAP support for organic farming to achieve the CAP's objectives;
- (b) collect relevant and representative information on organic farming in the FSDN to assess the impact of CAP support;
- (c) analyse the need to collect more granular data on the organic sector (e.g. organic operators, area under conversion) to support policy decisions.

**Target implementation date: (a), (b) by the end of 2027 and (c) by the end of 2028.**

This report was adopted by Chamber I, headed by Ms Joëlle Elvinger, Member of the Court of Auditors, in Luxembourg at its meeting of 10 July 2024.

*For the Court of Auditors*

Tony Murphy  
*President*



## Annex – Consumption of organic products in member states



*Note:* There is no data available for the consumption of organic products in Cyprus, Malta, Portugal, or Slovakia.

*Source:* ECA based on 2022 data from FIBL data on [organic retail sales](#), and from Eurostat data on [gross domestic product](#) (last extracted on 20 April 2024).

# Abbreviations

**CAP:** Common agricultural policy

**CMEF:** Common monitoring and evaluation framework

**EAFRD:** European Agricultural Fund for Rural Development

**FADN:** Farm Accountancy Data Network

**FSDN:** Farm Sustainability Data Network

**LUCAS:** Land Use and Coverage Area frame Survey

**PMEF:** Performance monitoring and evaluation framework

**RDP:** Rural development programme

# Glossary

**Common agricultural policy:** The EU's single unified policy on agriculture, comprising subsidies and a range of other measures to guarantee food security, ensure a fair standard of living for the EU's farmers, promote rural development, and protect the environment.

**European Green Deal:** EU growth strategy adopted in 2019, aiming to make the EU climate-neutral by 2050.

**Horizon Europe:** The EU's research and innovation funding programme for the 2021-2027 period.

**Horizon 2020:** The EU's research and innovation funding programme for the 2014-2020 period.

**Organic supply chain:** All activities performed undertaken to deliver organic products to an end consumer, including in particular farming, processing, distribution and retail.

**Rural development programme:** Set of national or regional multiannual objectives and actions, approved by the Commission, for the implementation of EU rural development policy.

**Utilised agricultural area:** Total area of farmland comprising arable land, permanent grassland, permanent crops and kitchen gardens.

## Replies of the Commission

<https://www.eca.europa.eu/en/publications/sr-2024-19>

## Timeline

<https://www.eca.europa.eu/en/publications/sr-2024-19>

## Audit team

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This performance audit was carried out by Audit Chamber I – Sustainable use of natural resources, headed by ECA Member Joëlle Elvinger. The audit was led by ECA Member Keit Pentus-Rosimannus, supported by Annikky Lamp, Head of Private Office and Daria Bochnar, Private Office Attaché; Ramona Bortnowschi, Principal Manager; Mihaela Vacarasu, Head of Task; Grzegorz Grajdura, Vincenza Ferrucci, Irina Flat, Anca-Florinela Cristescu, and Mateusz Minich, Auditors. Laura McMillan provided linguistic support. Alexandra Mazilu provided graphical support.



*From left to right: Irina Flat, Vincenza Ferrucci, Ramona Bortnowschi, Annikky Lamp, Keit Pentus-Rosimannus, Grzegorz Grajdura, Mihaela Văcărașu, Daria Bochnar.*

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Organic farming is an agricultural method to produce food using natural substances and processes. The Commission set the target of having 25 % of the EU's agricultural land organically farmed by 2030 – a significant jump from 10.5 % in 2022. We found that the EU strategy for organic farming lacked important elements such as quantifiable objectives and how to measure progress. The EU funds for organic farming – over €12 billion in 2014-2022 – helped to increase the organic area, but the environmental and market objectives were not sufficiently taken into account. Moreover, due to data constraints, the policy's impact could not be assessed. We have made recommendations to improve the strategy and effectiveness of the EU funds for the organic sector.

ECA special report pursuant to Article 287(4), second subparagraph, TFEU.



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